

MONTANA LEGISLATIVE HISTORY

Chapter 32 19 91

Bill H _____ S 11 Original bill & history C

H. Committee on Labor & Employment Relations S. Committee on Business & Industry

Hearing Date(s) Feb 07 ☒ C

_____ ☐ C

_____ ☐ C

_____ ☐ C

Hearing Date(s) Jan 14 ☒ C

Jan 15 ☒ C

_____ ☐ C

_____ ☐ C

Date Out Feb 07 ☒ C

Jan 15 ☒ C

Did this bill originate in an interim committee? ☐ Yes ☐ No

Committee _____

Report _____

SENATE FINAL STATUS

SB 11

2/01 SIGNED BY GOVERNOR
CHAPTER NUMBER 6

EFFECTIVE DATE: 1/01/92

SB 10 INTRODUCED BY BENGTON, ET AL.

AUTHORIZE RURAL FIRE AREAS AND DISTRICTS TO ISSUE
BONDS FOR IMPROVEMENTS

12/27	INTRODUCED		
12/28	REFERRED TO LOCAL GOVERNMENT		
1/07	FIRST READING		
1/08	HEARING		
1/25	COMMITTEE REPORT—BILL PASSED AS AMENDED		
1/26	2ND READING PASSED	46	0
1/28	3RD READING PASSED	47	0
	TRANSMITTED TO HOUSE		
1/29	FIRST READING		
1/29	REFERRED TO LOCAL GOVERNMENT		
3/07	HEARING		
3/08	COMMITTEE REPORT—BILL CONCURRED		
3/11	2ND READING CONCURRED	92	6
3/12	3RD READING CONCURRED	97	1
	RETURNED TO SENATE		
3/15	SIGNED BY PRESIDENT		
3/16	SIGNED BY SPEAKER		
3/16	TRANSMITTED TO GOVERNOR		
	RETURNED TO SENATE WITH GOVERNOR'S AMENDMENTS		
3/23	2ND READING GOVERNOR'S AMENDMENTS CONCURRED	47	0
3/25	3RD READING GOVERNOR'S AMENDMENTS CONCURRED	48	0
	TRANSMITTED TO HOUSE		
4/08	2ND READING GOVERNOR'S AMENDMENTS CONCURRED	95	0
4/09	3RD READING GOVERNOR'S AMENDMENTS CONCURRED	98	0
	RETURNED TO SENATE		
4/13	SIGNED BY PRESIDENT		
4/15	SIGNED BY SPEAKER		
4/15	TRANSMITTED TO GOVERNOR		
4/17	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 459		

EFFECTIVE DATE: 10/01/91

SB 11 INTRODUCED BY THAYER

PROVIDE RECIPROCAL BID PREFERENCE—PUBLIC CONTRACTS
FOR CONSTRUCTION/REPAIRS

12/27	INTRODUCED		
12/28	REFERRED TO STATE ADMINISTRATION		
1/07	FIRST READING		
1/09	REFERRED TO BUSINESS & INDUSTRY		
1/14	HEARING		
1/15	COMMITTEE REPORT—BILL PASSED AS AMENDED		
1/16	2ND READING PASSED	49	0
1/17	3RD READING PASSED	48	0
	TRANSMITTED TO HOUSE		
1/18	FIRST READING		
1/18	REFERRED TO LABOR & EMPLOYMENT RELATIONS		
2/07	HEARING		
2/08	COMMITTEE REPORT—BILL CONCURRED		
2/09	2ND READING CONCURRED	92	0
2/11	3RD READING CONCURRED	99	0

2/14 RETURNED TO SENATE
 2/14 SIGNED BY PRESIDENT
 2/14 SIGNED BY SPEAKER
 2/14 TRANSMITTED TO GOVERNOR
 2/19 SIGNED BY GOVERNOR
 CHAPTER NUMBER 32

EFFECTIVE DATE: 2/19/91

SB 12 INTRODUCED BY LYNCH

ABOLISH CAPITOL BUILDING AND PLANNING COMMITTEE AND
 REASSIGN FUNCTIONS
 BY REQUEST OF LEGISLATIVE COUNCIL

12/27	INTRODUCED		
12/28	REFERRED TO STATE ADMINISTRATION		
1/07	FIRST READING		
1/09	HEARING		
1/10	COMMITTEE REPORT—BILL PASSED AS AMENDED		
1/11	2ND READING PASSED	50	0
1/12	3RD READING PASSED	49	0
	TRANSMITTED TO HOUSE		
1/14	FIRST READING		
1/14	REFERRED TO STATE ADMINISTRATION		
	DIED IN COMMITTEE		

SB 13 INTRODUCED BY BIANCHI, ET AL.

EXTEND THE TERMINATION DATE OF THE WILDLIFE HABITAT
 ACQUISITION PROGRAM

12/27	INTRODUCED		
12/28	REFERRED TO FISH & GAME		
12/28	FISCAL NOTE REQUESTED		
1/07	FIRST READING		
1/07	FISCAL NOTE RECEIVED		
1/08	FISCAL NOTE PRINTED		
1/17	HEARING		
1/25	COMMITTEE REPORT—BILL PASSED AS AMENDED		
1/28	2ND READING PASSED	33	14
1/29	3RD READING PASSED	33	15
	TRANSMITTED TO HOUSE		
1/30	FIRST READING		
1/30	REFERRED TO FISH & GAME		
3/11	HEARING		
3/13	TABLED IN COMMITTEE		

SB 14 INTRODUCED BY WILLIAMS

ALLOW CERTIFICATE OF DEPOSIT AS SECURITY IN WORKERS'
 COMPENSATION PLAN NO. 1
 BY REQUEST OF WORKERS' COMPENSATION JOINT
 SELECT COMMITTEE

12/27	INTRODUCED		
12/28	REFERRED TO LABOR & EMPLOYMENT RELATIONS		
1/07	FIRST READING		
1/15	HEARING		
1/16	COMMITTEE REPORT—BILL PASSED AS AMENDED		
1/17	2ND READING PASSED AS AMENDED	50	0
1/18	3RD READING PASSED	45	0
	TRANSMITTED TO HOUSE		
1/19	FIRST READING		
1/19	REFERRED TO LABOR & EMPLOYMENT RELATIONS		
3/05	HEARING		
3/08	COMMITTEE REPORT—BILL CONCURRED		

Closing by Sponsor:

Senator Lynch announced that there would be no action today pending the amendment.

Senator Nathe closed.

Executive action will be taken for senate bill 48 tomorrow, January 15, 1991.

HEARING ON SENATE BILL 11

Presentation and Opening Statement by Sponsor:

Senator Thayer, district 19, sponsor of the bill stated that this bill is an act providing for reciprocal bid preference on public contracts for construction, repair, or public works; and amending section 18-1-102 of the Montana codes. He is introducing this bill because it will help some economic development for Montana. When the bid preferences were first adopted some years back, the idea was we were going to try to protect our own companies in Montana. With the economy the way it has been for the past two years in Montana, this particular bid preference is now working against some of the larger contractors in the state. As many of them are doing more business out of state then they are in state. The problem is that Montana has a preference bill that goes into affect, their law automatically kicks in and gives their contractors a matching reciprocal bid preference.

Proponents' Testimony:

Eugene Fenderson, representative of the state building trades council, spoke in favor of the bill. He stated that for a number of years the building trades unions in the state of Montana supported the law that is on the books. They did it for protective reasons for their members. Many contractors now were bidding out of state creating work for Montana that go with them, and many do. One of the great export commodities in the state is highly skilled workers. A lot of Montana contractors are picking up work in other states and employing our workers. The law is beginning to work against them.

John Manzer, teamsters union, said they are in support of the bill.

Bob Sletten, Sletten construction, spoke in favor of the bill. Every state in the pacific northwest except for Wyoming and Montana have all adopted reciprocal bills. If Montana adopts it Wyoming doesn't. One of our main exports are the construction workers in Montana, and by being able to utilize those workers in other states has made us and probably other contractors in surrounding states very competitive in the market place. We have a three percent preference that we have to overcome, in today's construction market that is an impossibility.

Dave Becker, Washington contractors group, spoke in support of the bill. Two of our biggest resources are equipment and labor, and we export a lot of that. They basically centralize

the operating functions in the main headquarters in Missoula. The biggest asset they utilize is their equipment fleet. Because of the central maintenance facilities in Missoula, they staff a fairly large support group there. This staff travels out of the state, through this becomes the tripling affect to various vendors and suppliers that Montana is based.

Lars Erickson, representative of the carpenters trade council in Montana, spoke in favor of the bill. Well over one hundred carpenters working out of state most of them work for in state contractors. A lot of the contractors are being forced to travel.

Jim Stucky, representative of the IOEW Local 400, supports this bill.

Martin Becker, sletten construction, spoke in favor of this bill by adding that they also take their subcontractors out with them. Those subcontractors that we developed an understanding with in Montana travel with them to the surrounding states.

Dennis Lind, representative of the washington corporation, favors the bill. Substantial portion of the major contractors work that is now done out of state. In order to allow the contractor to maintain their headquarters in state it is appropriate to give them the opportunity to bid competitively in the region. We have to protect the economy we have.

Opponents' Testimony:

None

Questions From Committee Members:

Senator Gage asked how much preferences costs to Montana.

Senator Thayer didn't recall any dollar amounts, but commented that two years ago the auditor put out a special report on bid preference. A recommendation from the auditors committee that we reevaluate the whole statute on bidders preference and do away with it entirely. There wasn't a lot of support two years ago.

Senator Williams asked if there was any statistics on how many out of state bidders bid.

Ralph DeCunzo, architecture engineering, had no statistics.

Closing by Sponsor:

Senator Thayer closed by saying that we are very fortunate that some of the companies have chosen to stay in Montana. Any time that a company does seventy to ninety percent of their business out of state you run the risk of losing those companies. Montana cannot afford to do that. This is an important piece of legislation.

Senator Lynch commented that in years gone by the small contractors are very concerned that they would be adversely affected compared to the part of the small contractors.

Martin Becker, sletten construction, answered by saying that

because of the short time on the setting and the change of one committee to the other, some of the other smaller contractors could not make it. It has never applied to the subcontractors anyway and that's typically where you would see the volume of employment come through.

Senator Thayer commented that the benefit to this is that we are heading into the heavy construction season, and the sooner that this bill can be implemented the more work its going to give for our people.

Senator Lynch commented that the council instructions unless otherwise informed would be normal process of October 1.

Executive action for senate bill 11 will be taken tomorrow, January 15, 1991.

HEARING ON EXECUTIVE ACTION FOR SB 2

Presentation and Opening Statement by Sponsor: Senator Lynch stated that two years ago gave a two year period for this law to make it permanent. The insurance industry had strong opposition to it. And the auditor's office wants to keep it permanent.

Proponents' Testimony:

None

Opponents' Testimony:

None

Questions From Committee Members:

None

Closing by Sponsor:

Senator Hager moved that this bill be due pass.

Senator Lynch added that the reason this would have affective passage and approval is that it would sunset if it didn't pass.

Senator Thayer asked if this motion passes, will it go in and stay in.

Senator Lynch replied that right now if the bill is in, if the bill didn't pass come July 1, it would be out. If it does pass with affective unapproval it would just keep going.

Senator Gage commented that this bill has not had a chance to work yet because of the time period. Is the auditors office interested in extending sunset.

Senator Hager replied that he would take what he could get. It would depends on hiring an actuary.

Senator Thayer agrees with Senator Gage in which the bill is flagged for another two years. The department would have to make

agency agreement. When talking about competition, we're not asking you to close the bars on Sundays and holidays so that they're not unfairly competing with the agency stores. Trying to level out the enterprize.

Senator Lynch commented that since there was one opponent, executive action would be scheduled for Thursday on SB 60. There is an option to motion to table, which means simply if the majority passes it you take away the say of the chairman to send the bill one way or the other.

EXECUTIVE ACTION ON SENATE BILL 11

Discussion:

Senator Lynch stated that because there was a minor amendment on senate bill 11, it wasn't acted on yesterday, January 14, 1991. The amendment is prepared and is simply affective on passage approval amendment. This bill would put our contractors into the playing field. If passed now, it would make it into the bidding season.

Senator Thayer moved that the amendment put before them by Bart Campbell be adopted for senate bill 11.

The amendment passed unanimously for senate bill 11.

Senator Thayer moved that senate bill 11 due pass as amended.

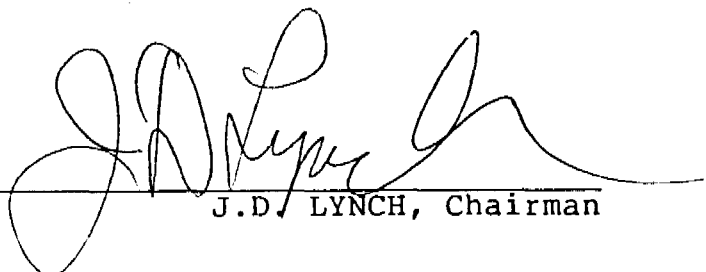
Senate bill 11 passed as amended unanimously.

Closing by Sponsor:

Senator Lynch stated that executive action would be scheduled for SB 60 on Thursday, January 17, 1991.

ADJOURNMENT

Adjournment At: 10:40 a.m.


J.D. LYNCH, Chairman


DARA ANDERSON, Secretary

JL/da

ROLL CALL

B&I COMMITTEE
52nd. LEGISLATIVE SESSION -- 1991

Date 1/15/91

NAME	PRESENT	ABSENT	EXCUSED
1 Senator Bruski	X		
2 Senator Franklin	X		
3 Senator Gage	X		
4 Senator Hager	X		
8 Senator Kennedy	X		
9 Senator Lynch	X		
5 Senator Noble	X		
6 Senator Thayer	X		
7 Senator Williams	X		

Each day attach to minutes.

ROLL CALL VOTE

SENATE COMMITTEE Business and Industry

Date 1/15/91 Bill No. 11 Time 10:00

NAME	YES	NO
Senator Bruski	X	
Senator Franklin	X	
Senator Gage	X	
Senator Hager	X	
Senator Noble	X	
Senator Thayer	X	
Senator Williams	X	
Senator Kennedy	X	
Senator Lynch	X	

Dara Anderson

Secretary

JD Lynch

Chairman

Motion: SB11 DUE PASS AS AMENDED
UNANIMOUSLY

ROLL CALL VOTE

SENATE COMMITTEE Business and Industry

Date 1/15/91 Bill No. ^{AMEND} SB11 Time 10:00

NAME	YES	NO
Senator Bruski	X	
Senator Franklin	X	
Senator Gage	X	
Senator Hager	X	
Senator Noble	X	
Senator Thayer	X	
Senator Williams	X	
Senator Kennedy	X	
Senator Lynch	X	

Dara Anderson

JD Lynch

Secretary

Chairman

Motion:

TO AMEND
SB11

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 15, 1991

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration Senate Bill No. 11 (first reading copy -- white), respectfully report that Senate Bill No. 11 be amended and as so amended do pass:

1. Title, line 6.

Strike: "AND"

2. Title, line 7.

Following: "MCA"

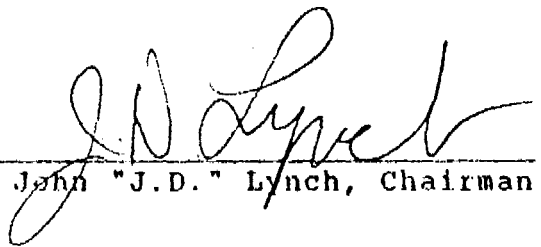
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

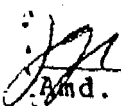
3. Page 3, line 10.

Following: line 9

Insert: "NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval."

Signed: _____


John "J.D." Lynch, Chairman

 1-15-91
And. Coord.

SB 1-15-91 11:55
Sec. of Senate

81037 SC.35

another state and import the cash back into Montana. When companies find most of their work out of state, they may move their headquarters to another state if it is for a long period of time.

Proponents' Testimony:

Timothy Barnard, President, Barnard Construction Company, sent a letter to REP. TOM KILPATRICK in support of SB 11. EXHIBIT 9

Gene Fenderson, Montana Building and Construction Trades Union, stated his support of SB 11. For many years the Montana Construction and Building Trades Union has opposed changing this law in hopes to keep the work in the state with Montana contractors and workers. The work and construction in Montana declined, and many contractors and craftsmen had to find work out of state. Since the money is sent back to take care of their families, it has helped Montana in the long run. The reciprocal bid preference is almost nationwide.

John Manzer, Teamsters Union, stated SB 11 would remedy the disadvantage contractors have when working out of state.

Martin Becker, Sletton Construction, said that 10 to 15 percent of Sletton Construction business is done within the state and the remainder out of state. About 75 to 85 percent of the supervisory personnel and lead people on projects are born, raised, and live in Montana. Their income comes back to Montana. They should be able to work in the surrounding states without the disadvantage. The major subcontractors also go to the surrounding states.

Lars Ericson, Montana State Council of Carpenters, stated if the reciprocity law is changed, the Montana contractors working out of state could bid projects equally with contractors in neighboring states. If the state does not have the reciprocity, those people would be coming into this state with a disadvantage.

Christian Mackay, AFL-CIO, stated his support of SB 11 and the position taken by the Montana Building and Construction Trades Union.

Johnny Monahan, Ironworkers Local 841, stated his support of SB 11.

Dave Becker, Washington Contractors, Missoula, stated the Washington Contractors actively pursue work out of state. It is an equipment intensive company and has one of the largest fleets in the United States. The central shop facility repairs and maintains equipment, and many Montana companies are used to provide services and products.

Dennis Lind, Washington Corporation, Missoula, stated it is time to allow the contractors and union laborers to compete successfully in other markets to improve the economic base in

Opponents' Testimony: None

Questions From Committee Members:

REP. DRISCOLL asked Mr. Hunter if he wanted the Technical Note on Pg. 3 of the Fiscal Note to say "at the end of biennium" instead of "each fiscal year." Mr. Hunter said the language came from the budget office, so it is associated with the Governor's request for how the funding is to be used.

Closing by Sponsor:

REP. DRISCOLL agreed with the proponents to hold HB 385 until HB 124 is scheduled because it deals with the assessment in the Unemployment Insurance Fund.

Informational Testimony:

CHAIR SQUIRES said that HB 124, sponsored by Rep. Gilbert, is scheduled February 19, 1991.

HEARING ON HB 453

Presentation and Opening Statement by Sponsor:

REP. RUSSELL FAGG, House District, proposed HB 453 on behalf of the Judge's Retirement System. EXHIBIT 7

Proponents' Testimony:

Judge Tom Honzel, First Judicial District, stated his support of HB 453 and presented a question and answer handout. EXHIBIT 8

Opponents' Testimony: None

Questions From Committee Members: None

Closing by Sponsor:

REP. FAGG closed hearing on HB 453.

HEARING ON SB 11

Presentation and Opening Statement by Sponsor:

SEN. GENE THAYER, House District 19, stated that many contractors in Montana do the majority of their work out of state. The other states have adopted legislation that says if a contractor from another state has a bidding preference in their state the same preference will be given to the local contractors of that state. If there is a 3 percent bid preference, a disadvantage is created when bidding in neighboring states. The laws enacted years ago to protect Montanans are starting to "backfire." The contractors take many skilled workers and management to export jobs into

Montana.

Opponents' Testimony: None

Questions From Committee Members:

REP. SONNY HANSON asked SEN. THAYER if there was consideration to include Section 103 to define what constitutes a local or in-state corporation. SEN. THAYER said no. The bill is very narrow in scope.

REP. O'KEEFE asked Mr. Becker if the bid preference is changed would the bill affect the Washington Contractors to bid on out-of-state contracts. Mr. Becker said the bidding would be done more competitively. REP. O'KEEFE said many companies may receive more out-of-state work which would result in the work being so far from the central facility that it would leave Mr. Becker said no; presently the Washington Contractors have jobs in California, Nevada, and Arizona. REP. O'KEEFE stated that he fears companies leaving the state.

Mr. Lind said that Mr. Washington has a deep dedication to Montana and is committed to remain here. This bill will give the Washington Contractors the ability to remain in the state.

Closing by Sponsor:

SEN. THAYER said the bill is effective immediately upon passage and approval. There is a considerable amount of business that contractors are preparing to bid on, so upon passage of the bill there is the possibility of additional work that will benefit the people of Montana.

EXECUTIVE ACTION ON SB 11

Motion: REP. LEE MOVED SB 11 BE CONCURRED IN.

Discussion:

REP. HANSON said that surrounding states have a comparable law.

Vote: Motion carried unanimously.

REP. DRISCOLL will carry SB 11 in the House of Representatives.

EXECUTIVE ACTION ON HB 453

Motion/Vote: REP. DRISCOLL MOVED HB 453 DO PASS. Motion carried unanimously.

EXECUTIVE ACTION ON HB 465

Motion: REP. JOHNSON MOVED HB 465 DO PASS.

HOUSE OF REPRESENTATIVES

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

ROLL CALL

DATE 2/7/91

NAME	PRESENT	ABSENT	EXCUSED
REP. JERRY DRISCOLL	✓		
REP. MARK O'KEEFE	✓		
REP. GARY BECK	✓		
REP. STEVE BENEDICT	✓		
REP. VICKI COCCHIARELLA	✓		
REP. ED DOLEZAL	✓		
REP. RUSSELL FAGG	✓		
REP. H.S. "SONNY" HANSON	✓		
REP. DAVID HOFFMAN			✓
REP. ROYAL JOHNSON	✓		
REP. THOMAS LEE	✓		
REP. BOB PAVLOVICH			✓
REP. JIM SOUTHWORTH	✓		
REP. FRED THOMAS	✓		
REP. DAVE WANZENRIED	✓		
REP. TIM WHALEN	✓		
REP. TOM KILPATRICK, V.-CHAIR	✓		
REP. CAROLYN SQUIRES, CHAIR	✓		

5. 10
2-7-91
J D 13

HOUSE STANDING COMMITTEE REPORT

February 7, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Labor report that Senate Bill 11 (third reading copy -- blue) be concurred in.

Signed: Carolyn Squires
Carolyn Squires, Chairman

BARNARD CONSTRUCTION COMPANY, INC.

P.O. Box 99 ◦ Bozeman, MT 59771-0099 ◦ (406) 586-1995 ◦ FAX (406) 586-3530

February 6, 1991

Representative Kilpatrick
Montana House of Representatives
State Capitol Building
Helena, MT 59620

Re: ~~HOUSE~~ ^{SENATE} BILL 11
RECIPROCAL BID PREFERENCE FOR CONSTRUCTION

Dear Representative Kilpatrick:

I am writing to you to request your support of House Bill 11. This bill passed unanimously in the State Senate last week.

With the decline in the number of projects available to bid in Montana, the number of Montana based firms taking their work force and following work through out the West is increasing. Bidding in southwestern states also gives Montana companies much needed winter work. Competition is often fierce and in some states in-state contractors possess the advantage of a 3 to 5% preference. As a result, Montana contractors must compete with higher mobilization and overhead costs as well as this preference.

House Bill 11 would simply put all contractors on even footing when bidding state projects. Those states that continue to impose a preference would be equally assessed that "penalty" when bidding in Montana.

Thank you for considering support for this bill.

Sincerely,



Timothy Barnard, President

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Labor & Employment Relations

COMMITTEE

BILL NO.

SB 11

DATE 2/7/91

SPONSOR(S) Sen. Gene Thayer

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
DAVID BELKER 4525 LINDA VISTA MISSOULA, MT	WASHINGTON CONTRACTORS CORP., INC.	✓	
PO BOX 8467 Martinez, Bodo, Grootenb, MT	SOHAI Construction	✓	
201 W. M. Missoula, MT R. 004 3205	WASHINGTON CORPS	✓	
JOHNNY MOWAHAR (GT FALLS - 57403)	IRONWORKERS L U 841	✓	
Robert K. Murphy 1621 KARMEN RD. Helena	International Brotherhood Electricians	✓	
JOHN MANZER P.O. Box 2648 G.F.	Teamsters Union	✓	
BOX 702 - HELENA.	MT ST BLS TRADES	✓	
CHRISTIAN MACKAY on BEHALF of Don Judger	AFL-CIO	✓	
LARS ERICSON	MT ST Council Carpenters	✓	
John Caldwell	local 400	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.